G. R. S. IX-5]

Previous references.

Banking 17-97
" 8-1900

1902
~~191~~.
(Banking)

Later references.

File No. 33

Serial Nos. 1—2

P 29

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1—2

Part B for July 1903.

SUBJECT.

Report on Inspection of the Agricultural Bank at Attibele, ~~&~~ Anekal Taluk

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Inclosed 28 Subballer

W b 88—GPB—50,000—24-7-16

DEPARTMENT
189 R46 1903
PEV

15

From The Inspector of Agricultural Banks in Mysore,

To The Secretary to the Government of His Highness the Maharaja of Mysore, General and Revenue Depts

Dated 30th June 1903.

Despatched

Received

General No. 412

No.

Enclosure No. 1 Report

Submitting Report of Mr. D. Mallikarjuna Rao on the Athibelle Agricultural Bank

2

No: 472.

Submitted to the Secretary to the Government, Govt & Revenue Depts

30.6.03 V. Ramachandra Ayyar
Insp. of Ag. Banks

Inspection Report on the Agricultural Bank at Attibelle

Ankal Bank.

1. The Attibelle Agricultural Bank was inspected by me on the 8th April 1903.

2. The registered Bank office is House No: 30 in the village of Attibelle. But the office was shifted to House No: 45 on 29.3.03 by a resolution of the General Assembly. It is not yet registered, the matter being still under correspondance. The last inspection was on 24.6.02 since which date there has been no change of office

3. There is no resolution regarding dates and hours of business. Notice has been hosted up; it would be convenient if either course is adopted. On 3 days in a month, on the average, business has been done since last inspection.

4. The Bank's Registers &c are kept in the Bank premises in the custody of the Asst.

5. The Bank was at its formation confined to 33 villages, and there has been no extension since.

The following villages are beyond the radius of 5 miles.

1. Sirigana Agrahara
2. Anekal
3. Honna Kalasipura
4. Hompalagatta
5. Muttaghatti
6. Gaurcandully
7. Solur

8. Sopshalli
9. Pattangere Gollalli
10 Seemavara
11 Chandenahalli
12 Kanchi Hosahalli
13 Haravara
14 Narana Phatta
15. Kaggalipura.

of the 67 Members, 16 live beyond a radius of 5 miles. There are 5 office Directors & 3 Audit committee Members, there is no executive committee, one Auditor & one Director live at Anekal &c beyond a Radius of 5 miles.

6. With 41 Members the Bank was started and the subsequent additions and omissions to Membership were as follows:-

on 4.5.98 - 39 Admissions

Ote	8-7-98	5	Absorption
"	30-1-99	3	
"	28-7-00	2	
"	29-1-02	1	
"	26-1-03	1.	
		88	

Cessation of Membership.

Resignation — 17
owing to want of
sufficient property
within jurisdiction 1.
Death 3.
21

Existing Number of Members 67.

The president has two undivided brothers none of whom has attested his deed. Hence the enquiry concerning status of debtors in Hindu family cannot be said to be satisfactory.

7. A list of the Board of Members is maintained and

A

it is believed that it is not only complete but accurate. The statement of the president and the Agent of the Bank could be verified only by careful enquiries. The directors have not decided their duties; no circles are formed.

No new acquisitions or alienations are noticed by the Bank since last inspection. It would appear to be the function of the Board of Directors to watch new acquisitions or alienations; but as they do not record the result of the enquiries, if any, made by them, it is difficult to say whether a strict watch is kept by the Bank in this matter. A quarterly or half yearly report of

of the work done by each Director would be valuable in throwing sufficient light on the useful nature of the enquiry made by him.

The liability of the Bank on the date of inspection was about Rs 32207-8-0, while the net amount of property, excluding of the property that was alienated prior to last inspection, as estimated was Rs 75,183.

8. As regards Bank's funds, the limit fixed at formation has neither been increased nor decreased.

The sources of Bank's funds and the amount of funds are as follows:—

1.	Govt. advance.	31,000-0-0
2.	Subscription Fee	43-8-0
3.	Deposit by members	540-8-4
4	" " others	13-13-7
	Total	31,597-13-11

8

Entrance fee is not received in one instance from a member. Interest had been calculated and paid for deposit amount from the date of deposit upto date of withdrawal, contrary to Rule 11 of deposit-pass-book. No fines are levied. There is no provision to levy fines.

9. The amount of loan from Government is 35,000 Rupees.

The following repayments were made by the Bank.

Rs 4,000 at Rs 2,000 per year commencing from 1900-01.

The term fixed for repayment of loan is 10 years (according to Rules) commencing from 1900-01 at the rate of 3500 Rs per year. The Bank has paid at the

at the rate of Rs 9,000 per year pleading its inability to act in pursuance of the instructions of the Inspector and resolved in a special Assembly meeting held on 20.9.02 that upto 1909-10 annual payments will be made at the rate of Rs 2000 per year and from 1910-11 for 5 years at the rate of Rs 3000 clearing the loan in 15 years.

That the terms fixed for repayment are partially adhered to; while the payment of interest on the advance has been fairly punctual.

10. The Bank has not received loan from any person excepting Government. In only one instance deposit is received from a person -

who

other than a member. Interest is allowed on that amount at 4 percent. The rate of interest had been discussed in the Assembly meeting and the proceedings approved of by the Inspector vide his Yadi No. 2408 dt/16.5.98.

On 10.6.98 Agricultural Bank Inspector gave orders to receive deposit at 10 percent on loans of the 1st class. But the amount deposited by the members of the Bank is Rs 554-5-11 (vide statement A.) The terms of deposit are:-

1. Interest is payable at 4 p.c.
2. It is withdrawable at pleasure
3. It can be lent out;

11. The accounts of the Bank are kept well. The cash bk appears to have been written as the transactions occured. No discrepancies were found in the accounts. The signatures of the president & the Agent are obtained in the cash bk once in a month.

Disbursements were duly authorised and supported by proper vouchers.

The charges incurred under "Establishment and contingencies" appear to be reasonable. The office bearers do gratuitous service. The establishment charges include the pay of a part time peon.

The date of last entry in the cash bk is 6-4-1903 and the cash found on 8/4/03 is Rs 11-1-5. The limit of

Cash balance in the hands of Agent. is Rs 200 provided under Article 40 of the Articles of Association. The balance in the hands of the Agent has not exceeded the limit.

The general results of the Bank's cash transactions upto date of inspection are embodied in the subjoined table:

Receipts				Expenditure.			
				1. To Treasury. Loan acct.	7995	-	-
1. From Treasury.	38948	-	-	2. " deposits repaid	203	9	2
2 " deposits	757	15	1	3. " Members loan	48380	-	-
3. " Entrance fee	43	8	-	4. Interest on Govt loan	6209	2	7
4 " Interest & penalty	7850	10	-	5. Do on deposits	79	14	3
5. " Loans repaid	16172	8	-	6. Printing charges	27	8	-
6 " other items	5	8	1	7. Establishment	758	11	8
				8. Contingent charges	89	-	11
				9. Members on account	23	8	8
				10. Registration fees	15	2	-
				11. Other items	12	6	6
				12. Balance on hand	11	1	5
Total	63808	1	2		63808	1	2

12. As regard loans the Bank has fixed no limit & restriction with regard to value of property that is to be offered as security. It is resolved by the Bank that each member may be given loan to the extent of Rs 2,000 under class I and Rs 2000 under classes II, III & IV on joint security. In any case the maximum amount of loan to a single individual or member is Rs 4,000

No loan has been advanced to any non-member, and no loans in contravention of rule were noticed. The object of loan is specially and clearly described in Bankbook. But it is not certain whether the Board of Directors check the application of loan money,

there being no record touching the matter. It is said that no member has used, the sum borrowed, for purposes of trading or private banking or money lending.

The sums obtained & used for the several purposes are set out in the subjoined form:—

Amount obtained			Amount spent-		
1. To discharge Encumbrances	1163	6	1. paid for discharging Encumbrances	1158	6
2 " " other debts	2958	4	2. other debts	2586	4
3 " " for Agricultural purposes	716	0	3. Agricultural purposes.		
			(i) improvement of Holdings	379	2
			(ii) sinking Wells	170	0
			(iii) other agricultural operations	166	8
Total	4838	0	Total	4461	0

13. The mortgage bonds are in effective forces being duly registered and executed by proper persons. Many of the discharged title-deeds have been delivered to the Bank. The securities accepted by the Bank are fairly satisfactory.

The following are the cases in which the discharged title-deeds or documents have not been delivered to the Bank:—

(i) Member Marappa — obtained Rs 300 on 2.3.98. Filed in the Bank the title-deeds amounting to Rs 199. Other deeds amounting to Rs 101 not delivered.

(ii) Member Ranjanna — obtained Rs 400. Filed only the deeds amounting to Rs 186. Other deeds not delivered

(iii) Member. Subbarayappa — obtained Rs 350.
filed only the deeds amounting to Rs 300.
other deeds not delivered.

(iv) Member. Gauramma — obtained Rs 150 on 15.8.98
produced only the documents amounting to Rs 65/.
other deeds not delivered.

The particulars of loans of different classes are noted below:—

1.	Loans of first-class outstanding at date of inspection exclusive of repayment.	28,375-0-0
2.	Loans of 2nd class do. do.	2490-0-0
3.	Loans of 3rd " " "	520-0-0
4	" " 4th " " "	822-8-0
5-	Total of all classes	32,207-8-0

6. Value of property under mortgage & Bank — Rs 75, 183

14. The repayment of loans by members is not punctual. The sums due by the members and the dates on which they became due are noted in statement B enclosed herein.

From the statement it will be seen that the worst offenders in this respect are the office bearers themselves. Unpunctual payment being advantageous to the office bearers also, no other result than what is recorded above is possible.

Failure of crops for want of timely rains and frequent out-break of plague are pleaded as excuses for irregular payments.

The penalty for default of repeat payment is not exercised either regularly or in all cases.

Seven members have repaid the whole loan and severed their connection with the Bank.

Interest has been fully & punctually received upto end of December 1902.

15. Upto end of December 1902 a sum of Rs 728-7-1 remain under 'surplus'. Non-recovery of interest from the members regularly has tended to reduce the surplus. No sum is carried towards Reserve Fund. The Bank has no other assets.

16. As regards meetings of General Assembly the rules on the subject are understood and enforced. Meetings are convened after due notices to Members. Two general meetings and one special assembly meeting have been held since last inspection. (24.6.02). The proceedings have been approved of and registered. The Members generally take interest in the Bank and there appears to exist no split among them. The resolutions are duly recorded in the proceedings book and were not found to be inconsistent with the Articles of Association or other provisions of law.

17. Only three meetings of the directors were held since last inspection.

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1. on 28.7.02

2. on 1.9.02

3. on 19.10.02

and their Resolutions were duly recorded in a Book.

It is not easy to say which of the Directors has been taking a special interest in the Bank.

18. The business of the Bank is conducted by the Agent, the president, the Board of Directors, the Audit committee and by the General Assembly. No executive committee has been appointed. The Auditors meet once in six months and audit the accounts.

Out of 3 members of the Audit committee, two live within two miles distance from the Bank office and one lives in Ahmedkal beyond the radius of 5 miles.

19. As regards Registers and Accounts it must be said that they are well kept by the Mukaddi of the Bank. All the Registers referred to in Govt Pro. No. R 2558-66 of 10.12.01 are maintained and written up to date with the exception of

(i) Register no XVIII - "Register of appropriation of loans."
(ii) " XIX - "Contingent Register."
(iii) " XXI - "Fund" Register
(iv) " XXIII - 'Inspection Register'

Note — Register no XXI 'Fund' Register is maintained from 1st January/03.

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and all her cons references are preserved in a seperate stitched file

2. The Bank is not without utility. But the members require inculcation of the principles on which an Agricultural Bank can handsomely be worked. They do not appear to think that there exists a dire need for forming a Reserve Fund without which the Bank cannot continue to exist after the Govt loan is fully repaid. In short, they lack a proper sense of discipline and self Government.

Dy Bangalore
8th May/03.

Dy Commissioner &
Assistant Commissioner
Bangalore Rural.

A. Statement Showing the amount of deposits made by the Members of the Agricultural Bank at Attibelle, Anekal Taluk — up to date of inspection &c. 8th April 1903.

Register No. of Members	Depos. No.	Name of Depositor	Amount deposited up to 31st March 1903 — Rs.	As.	P.
1	1	Attibelle Ramabramanya	35	—	9
2	2	Do Ramabramanya	23	5	8
3	3	Do Ramanna	23	5	8
18	5	Mayasandra T. Ramabramanya	23	5	8
17	7	Dasappa Surappa	23	5	7
16	8	Muthandra Venkatappa	11	10	5
22	9	Halehilly Pilliah	11	10	5
20	10	Medihulli Somniah	11	10	5
8	11	Neralur Krishnappa	23	5	7
34	12	Kambalipura Surappa	11	10	5
29	14	Syed Ahsham sab	23	5	7
28	15	Halehulli Sreenivasiengar	23	5	7
26	16	Anekal Narainiengar	23	5	7
23	17	Anekal Kasipathiah	23	5	6
24	18	Muttayah Venkata Ramiah	23	5	6
25	19	Anekal Sreenivasiah	23	5	6
14	20	Mayasandra Gopaliah	23	5	6
19	21	Kambalipura Thimmaraya	11	9	9
9	23	Neralur Keshappa	11	9	7
80	24	Bhadrapura Muniya	11	9	6
63	26	Narasaghatta Sabbachari	11	9	6
47	27	Attibelle Chennaveerappa	11	9	6
61	28	Anekal Ganapanna	11	9	5
62	29	Attibelle Raghaviah	17	6	5
44	30	Do Narayanna	17	6	5
45	31	Chikkanahulli Ramiah	11	9	5
4	32	Attibelle Chikkaramanna	11	8	11

	33	Attibelle Rajhavedyar	13	13	7
77	34	do Venkatadrick	20	7	5
83	35	Modiral Rangaiah	10	3	8
86	36	Aravatti Seppa Shetty			
		Subbaraiyappa	20	9	5
		Total Rs	554	5	11

"Copy"

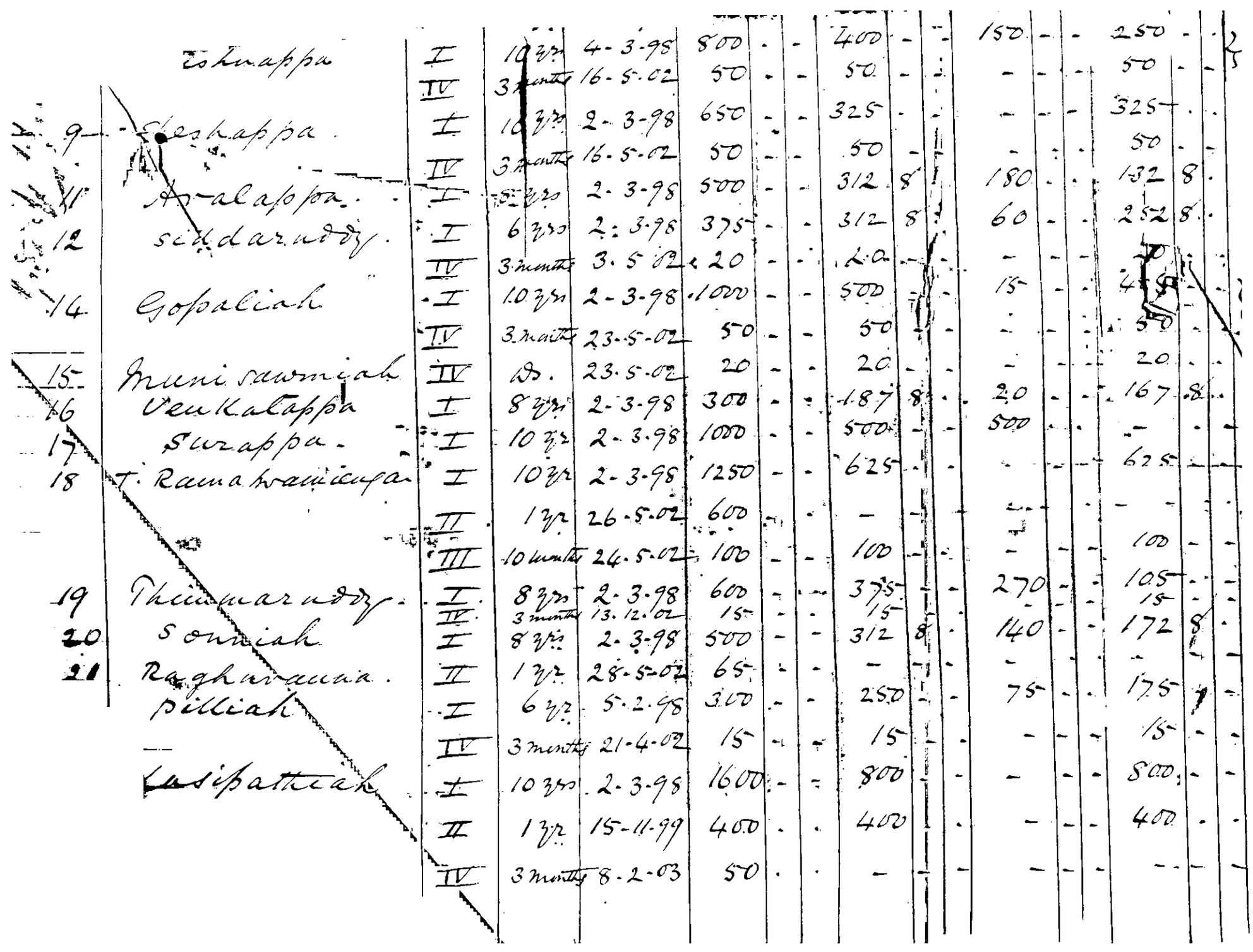
Bangalore
8th March 1903

Dear Sir,
Yours truly
Bangalore Rangaiah

Enclosure. Statement No. 45 showing the arrears of loans to be repaid by the members of the Attibelle Agricultural Bank, Ruanal Valli.

B. on standing 31st end of March/03.

Regist. No.	Name of Member.	Class of Loan.	Number of instalments	Date of Loan advanced	Amount of Loan advanced	Amount due at date	Amount received towards Loan	Balance	Remarks
1	Ramachandran	I	10 yrs	21-3-98	2000	1000		1000	
2	Ramachandran	I	10	3-3-98	2000	1000		1000	
		III	1	31-8-01	120	120		120	
		IV	3 months	16-6-02	50	50		50	
3	Ramana	I	10 yrs	5-2-98	600	300		300	
		I	10 yrs	5-5-98	400	160		160	
		II	1 yr	26-11-99	150	150	100	50	
		II	1½ yr	26-5-02	200			50	
		IV	3 months	23-5-02	50	50		200	
4	Chik Ramana	I	10 yrs	5-5-98	500	200		45	
		IV	3 months	26-5-02	45	45		400	
5	Ramana	I	10 yrs	26-4-98	1000	400		600	
		II	1 yr	30-11-99	600	600			
		II	1 yr	24-5-02	200			50	
		IV	3 months	23-5-02	50	50			



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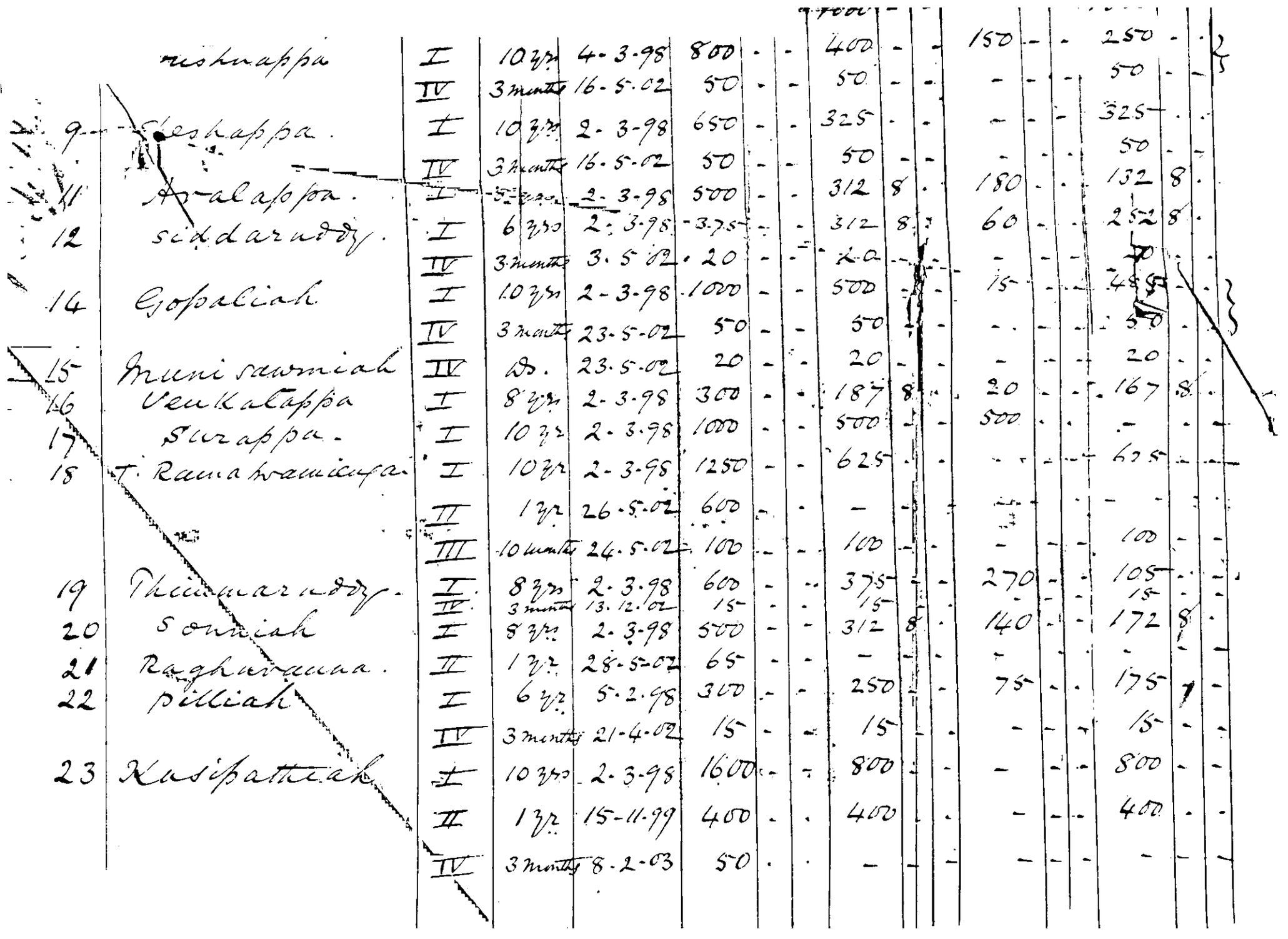

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Mysore Govt., Gen. & Rev. Secretariat

Revenue Branch

File No. (if any) and its date—

Section Banking

File No 33-02

Serial No 2

Office Draft. (16)

Progs. of the Govt. of H. H. the Maharaja of Mysore.

Read:

Letter No 472 & 30.6.03 from the Inspector of Agricultural Banks, submitting the report on inspection by Mr. D. H. Narasinga Row, Assistant Commissioner, Bangalore Range, of the Agricultural Bank at Attibele, Anekal Taluk.

D
R 327
R 746-1897
29-7-03.

Order: Recorded with the following observations.

2. The President is reported to have two undivided brothers and none of them has signed the mortgage deed executed by him in favor of the bank. The bank should be directed to ~~obtain their~~ remedy the defect at any early date. ~~consideration to the above transaction.~~

3. ~~The Deputy Commissioner not having given his opinion on the subject of~~ the terms of ~~the Govt advance~~ prepayment are reported to have partially been adhered to by the bank. The D.C. is requested to report whether the condition of the bank is such as to call for the modification ~~recommended~~ of the terms already fixed by Government.

4. ~~The bank should be directed to~~ such of the members as ~~fail upon the following mentioned to~~ are reported to have not produced the discharged bonds for ~~them~~ shall be required to do so at an early date ~~noted against their names to produce them at once and the matter reported to~~ upon urgent.

	Rs
Chandrappa	10
Ramanna	214
Subrayappa	50
Gurudeva	85

5. The long list of defaulters appended to the report shows that the bank is not at all alive to the importance of enforcing punctual payment and further it is a matter for regret that the office-bearers who are to enforce punctuality themselves are also defaulters. The bank should be directed to take proper steps for the recovery of all arrears. & for enforcing punctual payments in future.

6. The attention of the bank should be drawn to the following: ~~infractions~~ ~~Attention~~:-

(1) ~~Setting~~ The Working of the bank should be office registered.

(2) Fixing dates and hours for the regular transaction of work,

(3) Keeping the bank registers etc in the custody of the President and the Clerk

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(4) Enforcing the attendance from members of the Board within a radius of 5 miles from the registered office of the Bank,

(5) Recovering the subscription in arrears, and

~~(6)~~ maintaining the registers and accounts which are reported to have been not kept ~~in 1902-03~~ should be opened & maintained properly

Secretary 23/7/03

N 22/7/03

Sub

~~The Inspector of Co-operative~~

should file replies —

(1) Copies in duplicate of the minutes of the meetings of members & the managing committee for the ~~last~~ year etc

(2) Information the loans, etc., and the ~~registered~~ ~~members~~ ~~of~~ ~~the~~ Bank 18/7 & ~~the~~ ~~registered~~ members, if any.

Do

N 23/7/03

'17

The Deputy Commissioner,
Bangalore District